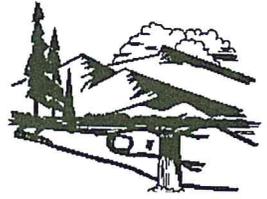




Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's
environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

October 16, 2015

Mr. Tim Barber
Rockies Division Regulatory Manager
Yates Petroleum Corporation
P.O. Box 2560
Gillette, WY 82717

CERTIFIED MAIL

RE: Notice of Violation
Docket #5621-15

Dear Mr. Barber:

Enclosed you will find a Notice of Violation (NOV) issued to Yates Petroleum Corporation by the Department of Environmental Quality, Air Quality Division, for failing to comply with permit requirements for smokeless operation and maintenance of the combustion device at the Blue Rim State 3 facility located in Sublette County, Wyoming. This violation of permit CT-4054 was observed by an Air Quality Division Engineer/Inspector on July 27, 2015.

As the Department and this Division consider the failure to comply with air quality permitting requirements to be a serious matter, I am considering recommending the Department refer this violation to the State Attorney General's office requesting a suit be filed in District Court to recover appropriate penalties. If you would like to discuss settlement of this Notice of Violation prior to referral to the Attorney General's office, please contact Ms. Ann Shed, Air Quality Compliance Program Principal, at 307-777-8601 no later than ten (10) days after receipt of this letter.

Should you have any questions or comments regarding this matter, please feel free to contact Ms. Ann Shed.

Sincerely,

Cole Anderson
Interim Administrator
Air Quality Division

cc: Fred Dilella
Ann Shed
Landon Brown
Tony Hoyt
Elizabeth Morrisseau

Herschler Building · 122 West 25th Street · Cheyenne, WY 82002 · <http://deq.state.wy.us>

ADMIN/OUTREACH (307) 777-7758 FAX 777-7682	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-5973	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

IN THE MATTER OF THE NOTICE OF VIOLATION)
ISSUED TO YATES PETROLEUM CORPORATION) DOCKET NO. 5621-15
MR. TIM BARBER)
P.O. BOX 2560)
GILLETTE, WY 82717)

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found Yates Petroleum Corporation, to be in violation of permit CT-4054 issued in accordance with W.S. 35-11-801 of the Wyoming Environmental Quality Act and Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations (WAQSR) for the Blue Rim State 3 facility located in Sublette County, Wyoming.
2. W.S. 35-11-801(a) states, "In granting permits, the Director may impose such conditions as may be necessary to accomplish the purpose of this act which are not inconsistent with the existing rules, regulations and standards."
3. Chapter 6, Section 2 of the WAQSR prescribes the applicability and procedures for issuing permits to sources under Wyoming's construction and modification permitting program.
4. Permit CT-4054 was issued to Yates Petroleum Corporation on September 15, 2005 for the Blue Rim State 3 facility. Condition 12 requires smokeless operation as follows:
"Tank vapor combustion devices and B-TEX control system combustion devices installed under condition ten (10) shall be designed, constructed, operated and maintained to be smokeless, per Chapter 3, Section 6(b)(i) of the WAQSR, with no visible emissions except for periods not to exceed a total of five (5) minutes during any two (2) consecutive hours as determined by 40 CFR, Part 60, Appendix A, Method 22."
5. On July 27, 2015, an Air Quality Division Engineer/Inspector observed that the combustor was smoking continuously for the duration of the inspection. Failure to maintain and operate the combustion device to be smokeless is a violation of condition 12 of permit CT-4054.
6. Said violation consists of failure to maintain and operate the combustion device to be smokeless at the Blue Rim State 3 facility in violation of permit CT-4054.
7. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental Quality Act] ... is subject to a penalty not to exceed ten thousand dollars (\$10,000.00) for each violation for each day during which the violation continues, a temporary or permanent injunction, or both a penalty and an injunction.
8. This notice is being sent to you pursuant to W.S. 35-11-701(c), which requires that, in any case of the failure to correct or remedy an alleged violation, the Director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

DATED this 16 day of October, 2015.



Cole Anderson
Interim Administrator
Air Quality Division



Todd Parfitt
Director
Department of Environmental Quality

Please direct all inquiries to Cole Anderson, Interim Administrator, Division of Air Quality, Department of Environmental Quality, Herschler Building, 2nd Floor, 122 W. 25th Street, Cheyenne, Wyoming 82002. (Telephone: 307/777-7393.)